

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

Section 19(f), Art. III of the Florida Constitution requires that the creation of a trust fund pass with a three-fifths vote of the membership in each house and be contained in a separate bill for the sole purpose of creating that trust fund.

Section 215.3208(1), F.S., provides that, in order to implement s. 19(f), Art. III of the Florida Constitution, a schedule for review of the trust funds be included in the legislative budget instructions developed pursuant to s. 216.023, F.S. Additionally, the 2004 Legislature amended language in s. 215.32(2)(b), F.S., to define the purposes and uses of various trust funds used in day-to-day operations (Ch. 2004-234). In addition to other trust funds created by law, to the extent possible, each agency must adjust its internal accounting to use existing trust funds consistent with the requirements of this subparagraph. If an agency does not have trust funds listed in this subparagraph and one is required, the agency must recommend the creation of the necessary trust fund(s) to the Legislature no later than the next scheduled review of the agency's trust funds pursuant to s. 215.3208, F.S. The trust funds in the Department of Education are scheduled for review this year.

Currently, revenues received by the Department of Education from the leasing of satellite transponder time and fees for GED test administration are accounted for in the Projects, Contracts and Grants Trust Fund which is used by the department primarily for salaries and benefits and program operations associated with departmental activities related to the satellite transponder time and GED programs.

Effect of Proposed Change

The bill creates the Operating Trust Fund within the Department of Education effective July 1, 2008. The fund is established for use as a depository for funds to be used for program operations funded by program revenues. Receipts credited to the trust fund will consist of monies generated from the leasing of transponder time and GED test administration, which will continue to fund positions and programs within the Department of Education. Funds will be expended pursuant to legislative appropriation or an approved amendment to the Department of Education's operating budget pursuant to the provisions of chapter 216, F.S.

The Operating Trust Fund shall, unless terminated sooner, terminate on July 1, 2012. Before its scheduled termination, the trust fund shall be reviewed as provided in s. 215.3206(1) and (2), F.S.

Projected Receipts

The current year appropriation for the Projects, Contracts and Grants Trust Fund, which currently contains the revenues to be transferred to the new fund, is \$1,665,446. Projected receipts for the new fund are:

Revenue Sources

Estimated Receipts

Transfer of beginning balance from Projects, Contracts and Grants Trust Fund	\$313,529
Leasing of Transponder Time	\$84,161
Great Florida Teach-In	\$14,860
Interest-Investment	\$10,178
GED Fees	\$1,070,655
TOTAL	\$1,493,383

C. SECTION DIRECTORY:

Section1: Creates s. 1001.281, F.S. Creating the Operating Trust Fund within the Department of Education, establishing purposes and sources of funds, and providing for annual carryforward of funds and for future review and termination or re-creation of the trust fund.

Section 2: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

- 1. Revenues: None.
- 2. Expenditures: None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

- 1. Revenues: None.
- 2. Expenditures: None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.

D. FISCAL COMMENTS:

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. These are not new dollars. This is simply a change in operating procedures to align agency accounts with the requirements of section 215.32, Florida Statutes.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

- 1. Applicability of Municipality/County Mandates Provision: None.
- 2. Other:

Section 19(f), Art. III of the Florida Constitution requires that the creation of a trust fund pass with a three-fifths vote of the membership in each house and be contained in a separate bill for the sole purpose of creating that trust fund.

B. RULE-MAKING AUTHORITY: None.

C. DRAFTING ISSUES OR OTHER COMMENTS: None.

D. STATEMENT OF THE SPONSOR

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES